30 September 1963

MEMORANDUM FOR: Chief, Dissemination Control Branch, DD/CR

FROM

: Chief, Publications Staff, ORR

SUBJECT

: Transmittal of Material

It is requested that the attached copies of CIA/RR CB 63-77, Syrians Reportedly Dissatisfied With Soviet Plans for Fertilizer Plant, 23 September 1963, Secret, be forwarded as follows:

State, INR Communications Center,
Room 7818, State Dept. Bldg.
For Embassies in Moscow, Bonn, Frankfurt,
Iondon, Paris, Rome, Ankara, Athens, Cairo,
Damascus, Kabul, Karachi, New Delhi, Nicosia,
Tehrna, Baghdad, Wel Aviv, Beirut, Amman,
and Jidda

25X1A

Attachments: Copies #179 - #198 of CB 63-77

cc: CGS/RB

72B

Current Support Brief

SYRIANS REPORTEDLY DISSATISFIED WITH SOVIET PLANS FOR FERTILIZER PLANT



CIA/RR CB 63-77

23 September 1963

CENTRAL INTELLIGENCE AGENCY Office of Research and Reports

SECRET

GROUP 1 Excluded from automatic downgrading and declassification

Approved For Release 2000/05/12 : CIA-RDP79T01003A001700220001-8

WARNING

This material contains information affecting the National Defense of the United States within the meaning of the espionage laws, Title 18, USC, Secs. 793 and 794, the transmission or revelation of which in any manner to an unauthorized person is prohibited by law.

S-E-C-R-E-T

SYRIANS REPORTEDLY DISSATISFIED WITH SOVIET PLANS FOR FERTILIZER PLANT

It has been reported that an official of the Syrian Ministry of Industry has stated that his government is dissatisfied with Soviet plans for a fertilizer plant which the USSR is scheduled to build for Syria. 1/ He allegedly stated that the planned Soviet fertilizer facilities were outdated and proposed that the USSR purchase the necessary modern equipment from the Free World, or the Syrians would purchase it themselves.

1. Background

The plant referred to is an ammonium nitrate facility with a capacity of 110,000 tons per year that will operate in conjunction with the Syrian petroleum refinery at Homs. This chemical fertilizer plant reportedly is capable of furnishing a large part of Syria's fertilizer needs and is an important adjunct to its agricultural and industrial development plan. 2/ Soviet involvement in constructing the plant dates back to its inclusion in the Soviet-Syrian Credit Agreement of 1957. The Syrians claimed, however, that they were not bound by this agreement to buy from the USSR and requested the US and other Western countries to submit proposals for constructing the plant. 3/ The US stated that it would have to make an economic-technical feasibility study before submitting any proposal, and the Syrians agreed. 4/ Action by the US was suspended after several months of work when the Syrians acknowledged in July-August 1960 that they were considering Soviet offers. 5/ A contract with the USSR was signed in September 1960 that calls for construction in two stages, with the operation of the first stage (55,000 tons) to begin in 1964. 6/ Cost of the plant and associated power facility was reported to be about 100 million Syrian pounds (US \$28 million). 7/

2. Soviet Performance

To date, the USSR has made little headway in constructing the fertilizer plant and as of May 1963 had expended less than 2 percent of its

S-E-C-R-E-T

S-E-C-R-E-T

commitment. 8/ Delays in part have stemmed from Soviet-Syrian disagreements over costs and plans. Final plans for the plant reportedly were not received by the Syrians until mid-1962. 9/ Construction also was delayed by extensive Soviet studies, which some observers interpreted as a cover-up for Soviet inability to proceed promptly on the project. 10/ Still other problems arose over training of Syrian technicians. After efforts to have these technicians trained in the US or West Germany failed -- the Syrians preferred training in the West to that in the Bloc -- the USSR eventually agreed to receive these trainees, 12 of whom reportedly went to the USSR early in 1963. 11/ Some Soviet equipment for this plant, however, reportedly has arrived in Syria, and 17 Soviet fertilizer experts reported for work on the project in April 1963. 12/

In undertaking the construction of this fertilizer plant in Syria, the Soviet officials have placed themselves in a difficult position. On the one hand, the USSR apparently is unable to provide a plant as modern in all respects as the Syrians want. (A similar plant for Rumania in 1962 was termed "antiquated" by a qualified observer. 13/) On the other hand, the USSR is reluctant to install Western equipment in the plant, because such action would entail a serious loss of face. Moreover, any resources, either human or material, that are committed to this project detract from the domestic program for expansion of fertilizer production -- at present the highest priority economic program in the USSR. In November 1962 the Soviet government withdrew from negotiations with Burma for a fertilizer plant on the grounds that internal Soviet commitments in this field would require utilization of all available resources.

If Soviet performance on this project does not improve, it could damage the favorable image that the USSR has tried to create in Syria. Although there is no evidence to suggest that the Syrian regime has considered breaking off contractual arrangements with the USSR, it is conceivable that this move could take place if the USSR adopted a callous, intractable attitude toward the Syrian request for an efficient fertilizer plant.

S-E-C-R-E-T

Analysts:

Coord:



25X1A

Sources:

- State, Damascus. Airgram A-23, 28 Jul 63. C. 1.
- Chemical Age, 25 Apr 59. U. 2. Middle East Economist, Mar 60. U.
- State, Damascus. Dsp 536, 13 Apr 60, p. 2. C. 3.
- Ibid. 4.
- State, Damascus. Dsp 6-90, 13 Apr 61. C.
- State, Damascus. Dsp 260, 20 Oct 61. C. 6. CIA, FDD. Summary no 2714, 5 Jan 61. C.
- Middle East Business Digest, vol V, no 70, 1 Mar 61. U. 7. Beirut, ANA, 30 Jul 61. OFF USE
- State, Damascus. Airgram A-45, Inclosure 1, p. 3, 8. 12 Aug 63. S.
- State, Damascus. Airgram A-34, 27 Jul 62. OFF USE. 9.
- State, Damascus. Dsp 198, 21 Dec 60. C. 10.
- State, Damascus. Airgram A-176, 30 Nov 62. S. 11. Ibid, Airgram A-395, 20 Jun 63, p. 4. U.
- CIA. Insurgency and Counterinsurgency in the Near East (25), 12. Summary no 4580, 24 Apr 63, p. 64. C.
- State, Moscow. Dsp 673, 11 May 60. OFF USE. 13.

Analyst:		R/	СН
•			

25X1A^t

tore i Sialf

i Jarent Sheet

SECRET

GROUP 1 Excluded from automatic dowagrading and declassification

CIA/RR CB 63-77

23 September 1963

Symber of Copies

275

Commission Consta	Recap	ient	Date	relurned ;
72, 163-228	Rec'd in St/P/C		23 Sep 63 24 Sep 63	
72 163	, St/P OCR	25X1A	11 Sep 03	25 2063
	CGS/RB		11	20 10063
164 165	CG5/KB		24 6. 2/2	July 2
			24 Septe3	1
166 25X1C 167	•	ه منتند شوش د بد د د	and the control of th	1
168	· ·	a a company of the co	n in a managaran and in a managaran and a second a second and a second a second and	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
169				
170		Commission of the second secon	and the second s	in the second of
171	±	, age yet in process on a right of the opposition	A STATE OF THE STA	<u> </u>
172		and the second second of the second s	ر در این میکند. میکند میکند به این	
173	ere and the	en samuel i disk laste til laste en laste en laste til l	الراقع الحرارة العالم المستقدم المستود	1
174	4. • 1	per la graphica de la companie de la	1.	C C C C C C C C C C C C C C C C C C C
175 - 178	- d stress	25X1A	Not Sent	12 Dec 63
179 - 228	Filed in St/P/C	nacionality (1977) are instantantically and the temperature alternation	24 Sep 63	Tomas and a control of
179-198	See attached	1. ma	ma 30 leader	*
211-212		158	10ct 63	, and the second
68		PIC	Action and the contract of the	25X1A
76	Petel Loom	<u> </u>	U	20/(1/1
	Jeste Brady	1 USTA	via DADIRR 44	X43
1421	A Ber Lolo	0/01	5T 600x65	> 25X1A
THE STATE OF THE S			TER THOUGH	
799		4/CLIE	5 my 63	12/ Rox 65
21, 68, 96, 163-16			Rocords Center 9 Jan	25V1A
35	but from StIPK	MARIA NA MARIA DANAMA	2 July 64	7 25X1A
35 203	Records Centre	· construction of the contract	1 alle 64)	
201-202	RC		8 960 65	
100	RC	age - anny an o construited for the same or any or special games - all Substitute (1998).	19 Spen 66	
		apik yanka an angan angan angan angan angan angan ang 1888 an angan ang	U	name a communicação de proposação como como de la como como de la
		na descripción addicional fina elegio spe hiddeste as assertamento 41,3 mm/s tido internet in	Mile and the species of the secretary of the confidence of the con	
and the second s				arang managan anakan ang managan ang m
the group of the second contract of the second approximate the second of			opunas identificação acidades o partir do como asidade da como a superior e por continuado do como o como e	CONTRACTOR
rigg - er sprægsing de se senenne er met Versprægsenskeringstig men hende det sædde skæmmen hendelæde.			er sammen algemen all halden en med denklan en med denklan en med en med beskelen en en en en en denklan en en	
in ground displaying specimens, majorate speciment of middles at the filter speciment flat are city in which seemed	and as a second sector to a second sector and a second sector and a second sector as a sector as a second sector as a sector as	aliquage, a versa area area de la composition de la composition de la composition de la composition de la comp	nającym miestaronijim androstronijamies i samtiniair rei rationir nies o samti, v samti da takerijami. Vin	The property of the second of
an na angan sa sang na kasakan an akan na ni Manaka sa na sa kasakan sa sa sa kasakan sa kasakan sa sa sa sa s	Manuscrief and white complete the decision of the control of the c	grandings are one production of the second s	Confidence ship (1) is injustified the fillengy with the product about the fillenge and the confidence ship (1) is a superior to confidence the confidence ship (1) is a superior to confidence ship	The second secon
, we have the fig. (a) with a population of a non-standing department of the standard medium of the standard mediu	orașile Minima de la curi de la compositori della compositori dell	Maring and the measure of the second departments of the second control of the second s	and the same or the same and th	And the second s
				3

SUBJECT: Distribution of Current Support Brief No. 63-77, Syrians Reportedly Dissatisfied With Soviet Plans for Fertilizer Plant 23 September 1963 (Secret) Recipient Copy No. O/DDI, Room 7E32, Hdqtrs. NIC 2 - 3 OCI Internal 4 - 11 12 - 14ONE St/CS/RR 15 - 2025X1A O/DDI -21 NSA 22 - 30 25X1A NSAL 31

ORR Distribution, St/A/Document Support Section, Room

(Distributed by OCI)

GH0915, Hdqtrs.

32 - 275



CROUP 1
Excluded from automatic downgrading and doctaseification

St/A/Documents Support Section Distribution of: Current Support Brief
No. 64-77. Syrians Reportedly Dissatisfied With Soviet Plans for
Terfiliser Plant --- 23 September 1963 (Secret)

7 2 7 11-15	
Copy No.	Recipient
34 ***	AD/RR
33	DAD/RR
34	Ch/E
35	St/PR
36 40	D/A (1 each branch)
41 - 46	D/MS (I each branch)
47 - 52	D/R (1 each branch)
53 - 60	D/M (1 each branch)
61 - 69	D/I (leach branch)
70 - 271	
13 - 74	D/GC
75	D/GC/X 25X1A
6 - 81	RID/AN Unit 4
12	St/FM
:3	Analyst/Branch R/CH)
4	GR/CR
5	BR/CR
6	IR/CR
7	Library/CR
8	그 사무를 하다 되는 것이 되었다. 그는 사람들은 사람들은 사람들은 사람들은 사람들은 사람들은 사람들은 사람들은
9	VMR. 25X1A
0	AD/OO
	Chief, FDD
2	CD/OO
3	OCI/OS/RP, Room 2E19, Hq.
4	
	DDI/GCS, Room 7F35, Hg. 25X1A
5	DDI/GC3/RK, Room 3r 30, Rq.
6 - 98	OSI III II
9	OBI III III III III III III III III III
00 - 101	OTR/IS/IP, Room GC11, Hq. (1 - OTR/SIC)
02	NPIC/CSD/REF, Room 1\$518, Room
03	Commandant Nat't. War College, Ft. Leslie McNair, Attn: Classific
04 - 114	Records Section, Rm. 26, Nat'l. War College Bldg., Wash. 25, D. C.
15 - 128	ACSI/Army, Room 1C460, Pentagon Navy, Director ONI, Room 5B659, Pentagon
29 - 138	HQ. USAF, Attn. AFCIN-3D1, Room 4B137, Pentagon
39 - 140	Ass't. Secretary of Defense, ISA, Room 4D825, Pentagon
41 - 144	USIA, Warren Phelps, IRR/D, Room 701, Walker Johnson Building.
	1734 New York Avenue, N. W.
45 - 156	State, INR Communications Center, Room 7818, State Dept. Blog.
57 - 160	DIA, DIASA-2C, Room 2D233, Pentagon
61 - 162	Dr. Neilson Debevoise, NSC, Room 365, Executive Office Building
63 229	St/P/C Room 4F41. 112.
29 - 275	Records Center
Appr	oved For Release 2000/05/12 : 644-Replace 01003A001700220001-8
	downgrading and declassification
	記事可護 支援教養 教養空影響性技術 響響 (185 km) (195 k

Project No.

22.5032

CIA/RR CB 63-77

Title -

Syrians Reportedly Dissatisfied With Soviet Plans for Fertilizer

Plant (Secret)

Responsible Analyst and Branch

R/CH

RECOMMENDED DISTRIBUTION TO STATE POSTS

25X1A

Bloc

Berlin, Germany
Bucharest, Romania
Budapest, Hungary
Moscow, USSR
Prague, Czechoslovakia
Sofia, Bulgaria
Warsaw, Poland

Europe

Belgrade, Yugozlavia Bern. Switzerland -Honn, Germany Brussels, Belgium Copenhagen, Denmark Frankfurt, Germany Geneva, Switzerland Helsinki, Finland The Hague, Netherlands Liebon, Portugal London, England Luxembourg, Luxembourg Madrid Spain Oslo, Norway Viaria France Rome. Italy Stockholm, Sweeden

Far East

Djakarta, Indonesia
Hong Kong
Rangoon, Burma
Kuala Lumpur, Malaya
Saigon, Vielnam
Seoul, Korea
Singapore, British Maylaya
Taipei, Formosa
Tokyo, Japan
Vientiane, Laos
Phnom Penh, Cambodia
Colombo, Cambodia

Near East - South Asia

Ankara Turkey
Vibene, Greene
Cairo, Egypt
Camascus, Syria
Vibul Afghanistan
Vicambi Pakistan
View Delbi, India
Vicacia Cyprus
Vibrah, Iran
Ciaphad, Iraq
Vibrah, Israel

Pacific

Wellington New Icaland
Manife, Philippines
Camberra, Australia
Melboyene Australia

ARA

Mexico
Guatemala
Panamia
Brazilia, Brazil
Bueros Aires, Argestia
Rogosa, Colombia
Santiago, Chile
La Paz, Bolivia
Montevideo, Uruguay

Africa

Lacedianii Addie Atalie Acera, Chana Malichi, Edward Monrovia, Liber Twin 1 1 to a Rabet Profecto Light Might Mogadiscio, Somal Khartoum, Sudah Tunis, Tunists Preferia, South A mea Algiers, Algeria Cotonou Dahome Daket, Senegal Bamakre, Mall

Group 1
Excluded from automatic

Vienna, Austria

downgrappeoved For Release 2000/05/12 : CIA-RDP79T01003A001700220001-8

declaration :

CONFIDENTIAL

BEST COPY Available

S-E-C-R-E-T

Approved For Release 2000/05/12: CIA-RDP79T01003A001700220001-8 ORR PUBLICATIONS CONTROL PROCESSING SHEET

Subject CIA IRE CIS a Analyst	C/// / C C	THE STATE OF THE S	Branch or the transformation of the transfo			resignere reminerative sur suprimeration de la segui de segui de table la coloni de segui de segui de segui de La colonia de la colonia de segui de s		
	The control of the transfer of the control of the c	Date	Initials	ngay kerpeng at antara pampangan kelambah melabah di sabahah kelabah salah sal	Remarks	25X1C		
I.	IN	25X1A	24 Sup 63	7113	Deletion	page 3.		
Unedit Edited Other	ted draft i draft		,		Remove	- page 3.	,	
II.	SECURITY	e cow		A THE PROPERTY OF THE PROPERTY				
b) Sou	t check rces to be cho	ncked			PLACE AND AND THE REAL PROPERTY OF THE REAL PROPERT			
	Release authorized	25X1C	AND THE CONTRACT OF THE CONTRA	And the state of t				
		·	A CONTRACTOR CONTRACTO					
d) Re	lease request	\$ 'B''			Marie St. Jr. 1871 - The France St. Jr. 1871			
	initiated received	25X1A						
Repor Repor	rt #1 sent to A rt #2 sent to I rt #3 given to sanitizing SD notified to							
		For Release	Tree rate and the state of the			Grou		